

Automated Commercial Environment—Requirements Recommendation

Date:	August 1, 2001
Number:	ACT-004 Compliance Elements (Final Version)
Requestor:	Account Management Subcommittee
Customs Co-Chair:	(signature)
Trade Co-Chair:	(signature)

Requirement: Access to Applicable Compliance Elements

a. The Trade understands that Customs tracks, for each account, a set of data elements that represent various types of violations, discrepancies, etc. for the purpose of measuring the account's compliance level. Examples of such compliance data elements include Misdelivery, Classification Error, Late Filing, and Entry Reject. The Trade needs to be informed as to exactly what those data elements are and how they are defined and measured. Therefore, the requirement is a capability for the Trade to access the list of the compliance data elements and definitions, including how Customs tracks/measures them.

b. Access to account compliance information includes access to *all* compliance data elements for transactions in which the account is the principal participant (i.e., transaction "owner" having final accountability), including those elements that are actually caused by other participants. For example, although Importer X might not explicitly have responsibility for Misdelivery, Importer X should still be able to access Misdelivery information on its transactions and see which carrier(s) were involved. Other participants have access to compliance elements for only their own portion of the transaction activities.

Note that this is related to paragraph b. of Requirement ACT-002 Access to Account Data:

"b. Access to transactional information includes.... information generated by Customs, such as regarding any discrepancy/violation, exam results, etc., This also includes the account's compliance information (e.g., resulting from analysis of an account's transaction history or from formal compliance assessments)....."

NOTE: It is understood that further details and specificity of this and related requirements must be defined in order to implement a satisfactory solution. The Account Management Subcommittee needs to remain involved during this requirement specification process and expects to provide feedback as refinements emerge. That is, requirements engineering necessarily involves Subject Matter Experts (SMEs), and this Subcommittee is the most relevant and available source of SMEs for account-related matters. In particular, the Trade is eager to work with Customs in defining (or redefining) the Compliance Measurement program and associated compliance elements, and how they will be implemented in ACE.

Business Need

There needs to be mechanisms for the Trade to understand the various compliance problems (types of violations/discrepancies) that Customs tracks and to understand those types for which an account is held responsible. A trade participant, particularly an importer, often is unaware of the compliance problems caused by others who are involved in their importation transactions. Therefore, it is important that the importer be able to access compliance elements related to their transactions and to know which participants were involved.

Transaction owners need access to all the compliance data elements, including those actually

caused by other participants, so they can monitor and better understand all aspects of transaction problems. For example, an importer might not be the actual cause of misdelivery; however, by monitoring this compliance element, the importer might see patterns of misdeliveries by some of its carriers and thus be able to exercise some control and avoid future problems.

Technical Need

None

Benefits

Customs and the Trade will have mutual agreement and common understanding of the specific compliance elements (types of problems) being tracked by Customs and for which an account will be held responsible. This will allow the Trade to better manage the risk for those elements.

By monitoring transaction violations/discrepancies, an account can avoid the repetition of past compliance problems caused by other parties as well as themselves. This will facilitate higher compliance rates and concomitant benefits to Customs and the Trade, such as fewer inspections.

Risks

None

Related Subcommittees

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Priority: Critical **X** High ☐ Medium ☐ Low ☐

Customs Use Only

Approved ☐ Not Approved ☐ Further Evaluation Required ☐